

**CENTERS FOR MEDICARE AND MEDICAID SERVICES**

**Retiree Drug Subsidy Policy & Operations National Mtg.**

**Moderator: Mark Hamelburg  
September 29, 2005  
3:00 pm ET**

Operator: Good afternoon, ladies and gentlemen. My name is (Tina) and I will be your conference facilitator today.

At this time, I would like to welcome everyone to Centers for Medicare and Medicaid Services Retiree Drug Subsidy Policy and Operations National Meeting.

All lines have been placed on mute to prevent any background noise. If you should need assistance during the call, please press star then 0 and an operator will come on line to assist you.

Thank you.

Mr. Hamelburg, you may begin your conference.

Mark Hamelburg: Thank you. And I just want to thank you all very much for joining us. This is a very exciting time as we gear up for the implementation of the retiree drug subsidy program.

In fact, we're in the home stretch with the application deadline about a month away for those who want to apply for 2006.

We scheduled this call to bring you up to speed on the latest developments and to help people with their applications by responding to questions that you've submitted.

And in case anyone doesn't know who I am, again I'm Mark Hamelburg. I'm the director of the Employer Policy and Operations Group within CMS. And joining me on the call today are some of the key people that have been involved in the development of the RDS program.

I have Jim Mayhew from CMS, and he's going to review the recent guidance that we've put out and answer questions that we've received relating to RDS policy. And I expect that Jim will go for I don't know, 20 to 25 minutes or so.

Then Pat Ambrose and (Deb Weber) from ViPS, who's the contractor that really administers the RDS program, they'll then get on the line and spend the rest of the time today addressing operational issues and new developments relating to the functionality for the application process.

Now as a reminder, we won't be addressing issues relating to claims submissions. You probably – most of you are aware that we recently released the details on how that claims process would work for public comment and we're looking forward to receiving your feedback soon.

But the call today is going to be focused on the operation of the application process.

Also joining Pat and (Deb) will be Dave Gardner from CMS. Now he's not going to be presenting, but he may chime in from time to time as needed.

Now I'd like to make a very few quick opening remarks and then I'll turn it over to Jim.

First, thank you all for everything that you've done over the past year to help us get to this point. The success of the RDS program is an extremely high priority for the administration and we really do appreciate your efforts in helping us.

The second point is that the administration and the leaders on Capitol Hill are clearly committed to having the new Medicare law take effect as scheduled next year, despite some talk that some of you may've heard from some folks in DC.

And that includes the retiree drug subsidy and other options that give employers and unions financial help in offering retiree prescription drug coverage.

Now as most of you know, RDS applications and retiree lists are submitted electronically through a secure web site at [rds.cms.hhs.gov](http://rds.cms.hhs.gov), G-O-V. The functionality to do all this and to start getting approvals for your applications is now in place. It's up and running. And if you haven't already started the process, you really should.

The deadline for applying and sending in your retiree lists, now well that's been extended until October 31. And to make it easy for everyone, this extension is automatic. You don't have to do anything to receive the extension, and you don't even have to start the application by tomorrow, September 30, which was the original deadline.

But I urge you, please don't wait until close to October 31. Starting that process – start the process and get us the names as soon as you can. Many, many sponsors already have done that.

And if you haven't already tried this, we think the process is very straightforward and workable, but parts of it will take some time, like authenticating users. And you don't want to wait too late and discover that there are some obstacles that are going to prevent you from completing the application on time.

I also want to remind you how critically important it is for sponsors to be communicating right now to their Medicare-eligible employees and retirees and to anybody else who may have coverage through them, like spouses and dependents. Many of these retirees and active workers will be able to keep the good coverage that they have without doing anything, and they need to understand that.

The sooner that you communicate with them, the more likely it is that you won't have to compete with other messages that they're going to start receiving very soon from Medicare Part D plans and from CMS.

And you need to communicate not only now, but do so clearly and repeatedly. Tell them about their options. Tell them how their benefit interacts with Medicare, including the consequences if there are any in enrolling in Part D and trying to still keep their employer coverage.

And I'd also like to make a suggestion that you have to assume that some people will mistakenly enroll in Part D rather than just stay with their employer coverage. And I'd encourage sponsors to recognize this reality by

ensuring that these people won't somehow be adversely affected as far as their retiree coverage goes, especially in the first year of the program.

Finally, I want to acknowledge that while many of you have been able to work the process without any problem, we are aware that some users have encountered occasional technical issues while using the secure web site.

I suspect that some may also have been frustrated if, you know, RDS call center staff aren't able to resolve these issues as soon as expected, maybe because the technical issue might require some programming changes that the experts need to make and the call center staff perhaps didn't know about at that point.

Obviously rolling out a brand new system under tight deadlines is going to reveal some glitches along the way. Everybody recognizes that. But we obviously want to minimize those problems as much as possible, and that's why we continue to encourage you to contact the RDS Center help line and alert the RDS Center staff of any problems that you encounter. If we don't know about them, we can't fix them.

And if one call doesn't result in an immediate help, please, let a little time pass and call again. We are making sure that we continue to review and strengthen procedures that are in place to make sure that all callers with any unresolved problems have their problems addressed as quickly as possible.

With all that said, I'm now going to turn it over to Jim Mayhew to talk about some policy issues.

Jim?

Jim Mayhew: Yeah, thank you, Mark.

And it's – hello everybody. It's good to be on the call. And I just want to reiterate a point that Mark made in that the – over the past 18 months that we've been working on this program, we have benefited greatly from the dialogue that we have with all of you out there. (That) includes the plan administrators, the business groups, the actuary, the lawyers.

Your input into this dialogue has been critical for the success of this program, and because of your input, we think that we've been able to develop a program that's user friendly and will be successful in its mission.

So what I'd like to do is go over some recent policy developments and what I (unintelligible) doing is going over the recent – some recent Federal Register notices, some recent policy fact sheets that we've come out with, and then go over some of the questions that were sent to us that are policy related.

As Mark indicated, we have just published a Federal Register notice, (it's) on September 23, that lays out the elements for the cost (submission) and for reconciliation submission. And it's – it – by reviewing this, (it will) give you a really good heads up on what's to be expected when you submit for payment for retiree drug subsidy and also for reconciliation.

Now (it's a) 30-day comment period, so comments must be submitted to ~~the Federal Register by October 22. This slide erroneously says comments must be submitted to CMS, but the comments (really) go to the Federal Register.~~ Corrected information 10/13/2005. Taken from **Document No. CMS-10170 Emergency Clearance: Public Information Collection Requirements Submitted to the Office of Management and Budget (OMB)** *“Interested persons are invited to send comments regarding the burden or any other*

*aspect of these collections of information requirements. However, as noted above, comments on these information collection and recordkeeping requirements must be received by the designees referenced below by October 22, 2005: Centers for Medicare & Medicaid Services, Office of Strategic Operations and Regulatory Affairs, Room C4-26-05, 7500 Security Boulevard, Baltimore, MD 21244-1850. Attn: Melissa Musotto, CMS-10170 and, OMB Human Resources and Housing Branch, Attention: Christopher Martin, New Executive Office Building, Room 10235, Washington, DC 20503.*

And so – and that’s all explained in the Federal Register notice, which can be accessed from the web site that’s on the slide...

Now we’ve recently posted some policy guidance or what we call RDS fact sheets on the RDS web site, and the fact sheets can be accessed on the RDS web site or [rds.cms.hhs.gov/news](http://rds.cms.hhs.gov/news) – that’s N-E-W-S – /factsheet.

And the two I’m going to talk about today that we’ve recently posted, the first is for qualified covered retirees for the retiree drug subsidy. And this is a fact sheet that we have five (Q) – five questions and answers on the sheet plus a chart, and it really explains who can be counted as a qualifying covered retiree for purposes of collecting the retiree drug subsidy.

And I’m not going to go over this, the complete fact sheet, but I do want to reiterate a couple important points that are explained in the fact sheet.

The first point is that the retirement status or the active status of the individual, of the dependents and the spouse of the participant really flow from the participant.

As most of you know, the plan can only collect the retiree drug subsidy for those who are in retired status, and that is under MSP rule not in current employment status. So the basic definition of a qualifying covered retiree is one who is Medicare eligible, eligible to enroll in Part D, does not enroll in Part D, and is retired.

For example, you could have a participant who is retired under the employer's plan, is Medicare eligible, and of course that employer would be able to get the subsidy for the participant.

Now if that participant has a spouse who's also on the employer's retirement plan but the spouse is actively working for another employer, as long as that spouse is Medicare eligible and not enrolled in Part D, the employer can collect the subsidy for that spouse even though she's actively working for another employer.

If she's working for the same employer that's providing the retirement plan, then the employer would not be able to collect the subsidy for that person because the employer's active plan would be primary in that situation.

Now conversely, if you have a participant (and an) employer who is actively working and that has a spouse who is on the participant's – on the employer's active plan and she is retired and Medicare eligible, does not enroll in Part D, the employer would not be able to collect the subsidy for that spouse because her coverage is through the employer's active plan.

The other important point that the fact sheet points – emphasizes is the fact that you – the eligibility of the qualifying covered retiree really is tied to the individual status (and) whether or not they're either retired or actively working.



In other words, under the MSP rule, they can not have current employment status. And this is true for employers with less than 20 employees even though the MSP rule wouldn't apply to them.

The – and the point (unintelligible) trying to make here is that if you have a – if an employer just has a single plan with both active and retired in the same plan, the employer can collect the subsidy for those in the plan who are not in current employment status as long as they're Medicare eligible and not enrolled in Part D.

Also if you have an active plan and you have retired and disabled people in your plan, who are not in current employment status and are Medicare eligible and not enrolled in Part D, you can – the employer can collect the subsidy for those folks as well.

The other fact sheet that was recently posted in the RDS web site is the fact sheet on the appeals process. And this is a comprehensive description of the appeals process for the retiree drug subsidy program.

And it goes over what can be appealed – issues such as the amount of the subsidy payment, the (actuary) equivalent of the plan sponsor's retiree prescription drug plan, and other similar determinations, including (the) denial of an application.

(It) explains who can submit an appeal, and it goes through the different levels of the appeals process. And all of this is self-explanatory, so I'm not going to go over that today. But again, it – the fact sheet is on the RDS web site.

Now I'd like to go over some recent frequently asked questions that we have posted on the RDS web site, and they're also posted on the CMS Medicare web site, the MMA web site.

The – one of the most recent questions that we just recently posted was how should rebates received by a plan sponsor be allocated to each qualifying covered retiree.

And to give you a little background on this issue, in order to determine the allowable retiree cost for each qualifying covered retiree, a plan sponsor (is going to) have to subtract out a rebate amount from the gross retiree costs of that retiree in order to calculate the allowable retiree cost.

And the problem is in most cases rebates are not awarded on (a) individual retiree basis. They're only awarded by the manufacturers on a group basis, really tied to the volume of a – of the purchase of a particular drug.

But what we say in this FAQ is that a plan sponsor can allocate rebates to the individual qualifying covered retiree using a percentage methodology. And (unintelligible) and it proves an example.

And the example would be if a plan sponsor has a total of \$1 million in drug costs and they receive \$30,000 in rebates (unintelligible) with those drug costs, well they can calculate a rebate percentage of 3%.

And then they can take that 3% and use that and apply a 3% reduction to each individual qualifying covered retiree gross retiree cost to determine an allowable retiree (cost).

So that is essentially the percentage methodology.

Another question that we recently posted is – and the first question in case you want to read that describe the allocation of the qualifying covered – of the rebate to qualifying covered retirees is question number 5901.

Another question, question number 5482, talks about whether a group health plan can disclose to a plan sponsor protected health information for the retiree drug subsidy without an individual's authorization.

And our response, the answer to that question is if the plan sponsor is set up to handle protected health information, then the health plan can share the minimum necessary data with that plan sponsor as long as all of the protections are in place to protect the private health information and you would not need (an) individual authorization for the sharing of that data.

Again, that was question 5482.

Question 5278 is – talked about benefit options. And it – the issue here is can a plan sponsor (treat) identical coverage as a single benefit option even if the premium amount paid by one group of retirees differs from another group of retirees. And the answer is yes.

If you have a benefit option with – if you have a group of retirees with the exact same benefit design and they're distinguished in subgroups by the amount of the employer contribution to the premium, well, the employer has the discretion in that case. They can treat each subgroup as a separate benefit option – that is the group is divided by the amount of premium that is contributed by the employer – or they can treat the whole group as one benefit option.

They key is there must be consistency and there must be a defined characteristic of the benefit option in order for it to be defined (as a) benefit option.

Now these are FAQs that I've just discussed, and all of the other FAQs can also be found on the RDS web site, and that is [rds.cms.hhs.gov](http://rds.cms.hhs.gov) and you click on the FAQs at the top of the page.

(Now) at this point, I'd like to go over some of the questions that we received from you through our email. And we obviously can not answer all of the questions, but we picked out the questions that were – tend to be repetitive, that were asked by more than one party, and esteemed to be most pertinent to the recent update.

The first series of questions was on the creditable coverage. And the first question is what is the status of the guidance for plan sponsors to submit creditable coverage determinations to CMS.

And the answer is – is that we're still developing that guidance and really hope to have that out some time this fall, perhaps as early as next month, October. But we're still working on this guidance.

(Now) this guidance will provide information to plan sponsors and other entities how to submit the information to CMS on their creditable coverage determination and their creditable coverage notices that they get out to their Medicare-eligible enrollees.

The guidance will indicate the timing, when the notices to CMS have to be provided, and also what will have to – the content of the notice. Obviously

until we get this guidance out, there will be no requirement to send a notice to CMS.

The second question is can an employer use the safe harbor test for certification of creditable coverage if applying for the retiree drug subsidy.

And (for) brief background, in our creditable coverage guidance paper, we do provide safe harbors for certain plan designs in order for – to make a quick determination on whether or not they're creditable (covers).

Well, for the retiree drug subsidy (you're) required – a plan sponsor is required to submit an actuarial attestation as to whether or not their plan is at least actuarial equivalent to the defined standard prescription drug benefit under Part D.

Therefore a plan sponsor would not be able to use the safe harbor in the creditable coverage guidance paper because they would have to get an actuarial analysis or a certification of the – of whether or not their plan is equivalent to the Part D, actuarial equivalent to Part D.

And so because the safe harbor is designed for plan sponsors to determine whether or not their coverage is creditable without having an actuary, they can not be used for the (actuarial) equivalent attestation.

And the third question under the creditable coverage actuarial equivalent area is must a plan sponsor complete an attestation every year as part of the application process to continue receiving the subsidy. And the answer is yes.

Even if (a) plan sponsor has the exact same plan design for year to year, they will have to submit a new attestation from an actuary because each year the

threshold or the coverage limit for Part D will be indexed to the cost of the Part D drugs. So the coverages for Part D will change from year to year and therefore even though a plan sponsor's coverage may not change, they'll still have to submit an actuarial attestation each year against the new Part D coverage (limit).

The next series of questions, or the next two questions really talk about the RDS subsidy payment to the employer.

And the first question was can a subsidy be used for any purpose, and the answer is there are no restrictions under the Medicare Modernization Act on how a plan sponsor can use the subsidy payment.

However, the plan sponsor may have some other restrictions, internal restrictions on the use of the subsidy payment. For example, if the plan sponsor operates the coverage, the prescription drug coverage through a trust, they may have to – they may have restrictions under the trust on how they can use that subsidy payment. Sponsors of governmental plans may have restrictions through their state laws or county and municipal laws on how they can use the subsidy payments.

But the basic answer to the question is under the MMA there are no – under Medicare Modernization Act and under Medicare there are restrictions on how a plan sponsor can use the subsidy payment.

The second question is does the Department of Labor consider the subsidy a plan asset. And really I'm not aware of any department of DoL public statement on this issue. Therefore to be completely safe about this, you really should contact Department of Labor directly or consult with a benefits lawyer.

However, based on our knowledge of the plan assets will – since the subsidy payment – in some cases, since the subsidy payment really goes to the plan sponsor, in some cases the subsidy payment will not be considered a plan asset because it's going to the plan sponsor and not the plan.

However, there may be some cases where the subsidy payment could be a plan asset, such as if the payment goes to a trust. If the subsidy payment goes to a trust, then it may be considered a plan asset.

Again, to be safe, you should review your individual situation or with a benefits lawyer or contact the Department of Labor directly for – to get their interpretation on your individual situation.

So we also get a couple of questions on HIPAA privacy issues. And the first question was does submitting aggregated claims violate HIPAA privacy laws. And again, this really goes down to – boils down to the individual circumstances.

For most large employers that are submitting aggregated cost data combined, there is not any protected health information in that data because again, it's just a combined aggregate total of drug costs for a large population.

However, for some of the smaller employers that may just have one or two retirees, that could be a concern because the aggregated cost could be traced to one or two individuals. Then that might be considered protected health information.

Again, you would have to consult with a HIPAA privacy attorney in order to be – to review your individual situation to determine if submitting aggregate claim data would violate HIPAA privacy law.

However, I should say that the system is set up – for instance, if you are a plan sponsor and you have an – and you're not set up to handle PHI, you can have your insurance carrier submit the PHI directly to the RDS Center in order to avoid any HIPAA violation.

Because the insurance carrier is probably a covered entity – it would definitely be a covered entity, and CMS would be a covered entity, and having PHI flow from one covered entity to another covered entity is not a HIPAA violation.

The second question was HIPAA privacy (and) what are employers to do if they are in a state with privacy laws more restrictive than HIPAA.

Well, we talk about this in the preamble to the final rule, and essentially if there are state privacy laws that are more restrictive than HIPAA, they will have to be complied with because HIPAA only preempts state law if they are less restrictive than the federal standard. Any time you have a state standard that is more restrictive or more protective, then they will not be preempted by HIPAA federal law.

The next series of questions was on the qualifying covered retirees. And the first question is can an employer receive a drug subsidy for Medicare-eligible active employees. And the answer is no.

As I indicated before when we were talking about the qualifying covered retiree fact sheet, an individual must be in – not – can not be in (a) current employment status in order to be eligible for the subsidy.

The second question is can an employer receive a drug subsidy for a Medicare-eligible dependent of an active employee. And the answer to that



question as I indicated when talking about the (qualified and covered) retiree fact sheet is no.

The active status really flows to – flow from the participant and therefore spouses and dependents of active employees can not be counted for the retiree drug subsidy.

The last question is can a subsidy be received for a (unintelligible) participant. And the answer is right now I really don't have an answer for that question. We are just working that situation through.

What makes this question a little complicated is that the answer may vary based on the qualifying event that occurs that allows someone to – that allows someone an (unintelligible) election.

So we're working on this issue and we hope to have a guidance paper out on this issue soon.

The next question is – really goes to whether a – can a nonprofit employer with exempt status receive the retiree drug subsidy. And (unintelligible) the question was tax-exempt status, and the answer is yes.

Clearly they will not benefit from the tax-exempt status of the subsidy, the tax-free subsidy as much as (a) employer who is in a tax status, but they can – but employer with tax-exempt status can definitely qualify and apply for the retiree drug subsidy.

Okay, I'm getting down to the end of the questions here. I just have a couple more.

The next question is how will an employer know if the retiree applies to enroll in a Medicare prescription drug plan in advance of their actual 65th birthday. And a sub-question to that is should an employer ask soon-to-be age 65 retirees and dependents to the retiree list data file update.

And the answer is yes. If an employer is aware that a person on their plan, a retiree on their plan is about to turn 65, they can certainly add that to their retiree list. And if the person has not yet signed up for Medicare, they will get a rejection for that particular person, but they can keep subsequently adding until the person does enroll and their name is (accepted) on the retiree list.

Now if – going back to the first question, how would an employer know if the retiree applies to enroll in a Part D plan in advance of their actual 65th birthday. Well, they will not know until they submit the person's name on the retiree list.

So if you don't submit the person on the retiree list, then you probably won't really have (no way) of knowing other than finding out from the person themselves.

The next question is is if a plan member is temporarily traveling or residing overseas, can a plan claim the subsidy for any foreign purchased prescriptions. And the answer to that question is no.

You're only eligible to receive the subsidy for Part D drugs (unintelligible) included in the definition of the Part D drug is the fact that the drug has to be purchased in the United States.

And finally the last question is does a plan member have to reside in the United States to be eligible for the subsidy, and the answer is yes. In order to

be eligible for Part D, you have to reside in a service area of a Part D plan. And there are no services areas in a Part D plan outside the United States. And in order to be counted for the subsidy, you must be a Part D-eligible individual.

So with that, that concludes my overview of the questions that were asked. At this point I'd like to turn it over to (Deb Weber).

(Deb Weber): Thank you, (Jim).

Many of the questions that you submitted to the RDS outreach mailbox were also related to the registration and application processes, so I'm going to try and address as many of those emails as possible during my presentation.

My presentation will focus on the registration process, the process to request and receive your log in ID to the secure web site and the application process with the exception of the retiree list. Pat Ambrose will be presenting information about the retiree list at the end of my presentation.

About a half a dozen or so topics kind of made their way to the top as I was reading through the information that was submitted, so I'm going to talk about those as defined on the registration and application (topics) slide.

They are the RDS secure web site rolls. I just briefly want to go through those again just to make sure that everyone in the industry clearly understands what they are. I also wanted to talk about the registration process, the requests that you send to the RDS Center to get your log in ID to the secure web site.

I want to do a quick mention about extensions, both for plan year 2006 and for subsequent. The application information, I'm just going to hit on a couple highlights that were basically a couple pieces of information on the

application that were problematic. Application processing, I'm just going to basically remind folks what the RDS Center does once we receive your submitted application.

I want to talk about appeals. The email communications, there were some questions about who gets what information in communications, so I'm going to talk about what roles get what communications.

And payments – for payment, I'm just going to briefly reiterate what the payment options are, a little more information about what they mean, and then I'm going to refer you to where you can get some additional information.

We did want to focus this national conference call on the registration and application topics and we'll have a payment call probably in a month or so, because I know that a lot of you guys want some additional information on that.

Okay, before I talk about the specific secure web site roles, I wanted to throw out another term that seems to cause some confusion, and that's just the term plan sponsor. I did want to make sure that everyone clearly understands that the plan sponsor term is not actually a user role. However, it is how we refer to the entity, the company, the organization that's actually requesting the subsidy.

Additionally there came up the question this week that I wanted to make sure everyone in the industry understood, and that is although during the registration process the RDS Center does request an EIN to be defined along with the plan sponsor information, the EIN that's associated with the plan sponsor is only to validate that that sponsor is indeed a valid entity and that someone didn't just basically make up an organization to defraud the program.

Although the EIN is required and it's associated with a specific plan sponsor ID, multiple plan sponsors can be associated with the same EIN. There is no limitation in the system to prevent this since we knew that it was likely to be an industry need.

Okay. Let's talk about the RDS secure web site roles. As you probably are well aware by now, there are four – the account manager, the authorized representative, the designee, and the actuary.

The good news is that thousands of you have successfully registered as one of these roles. You've received your log in IDs and you've actually been in the secure web site.

The bad news is that some of you have requested a user role that actually ended up not being what was needed for your business needs in the RDS program. (Unintelligible) found to date right now in order to get that information changed, it's a pretty cumbersome manual workaround that the RDS Center help line and the technical staff has to perform.

So until the system is a little more forgiving and we can try to make a little more flexibility when folks want to opt in and out of a specific role, I thought it wouldn't hurt to help educate the industry just a little bit more about what the individual roles are and who should be doing what in the secure web site.

I did want to remind everyone that it is still – because we do get this question quite a bit – it is a true statement that an individual can only be one user role in the RDS secure web site. There are no plans to change this in the near future.

We've been asked why, and the reason why we limit an individual to only one role is to preserve the integrity of the system. It's not unusual, and you're probably familiar with different systems that you use on a daily basis that have user roles – for example, an operator role or a system administrator role.

The system administrator role usually has more privileges and authority than just an operator role. The RDS secure web site is no different. We do need to control who sees what data, especially since some of this data is personal health information.

The way we do that is by defining user roles. If an individual has more than one role, it would be next to impossible to secure the system as is necessary with the type of data that we hold.

So without any further explanation, let's just quickly review what those four user roles are.

First, the authorized representative. The authorized representative is the business owner or officer or trustee of the plan. It is the person ultimately responsible, accountable for all application information. They are required to agree and authorize the compliance with RDS program requirements.

Specifically in the RDS secure web site, these people will choose and account manager. They will have this account manager log in and do some additional information I'll talk about on the next slide.

They also will be authorized to perform all of the function in the system except they won't be able to establish the initial plan sponsor account. That is done by the account manager. And of course they won't be able to do the actuarial attestation. That's going to be by the actuary.

They must be an employee of the plan sponsor with the authority, and usually that's CFO, president, CEO, someone of that nature.

I did want to stress the fact that they must be an employee of the company because we got that – I got that question several times in the RDS mailbox.

The sponsors, I also got a question about sponsors working with (PPA)s, and they wanted to know if they could also be authorized representatives. And my recommendation is to have those – the (PPA) actually be in the role of an account manager. However, again authorized rep does need to be an employee of the plan sponsor.

Okay, the account manager. The account manager is basically the authorized representative who is delegated to handle all account management tasks. They do have the authority to do everything in the RDS secure web site at this point except they can not do the plan sponsor agreement. That is purely a function of the authorized representative. And they can not do the actuarial attestation.

They are the person who comes to the RDS program web site and the very first time will click on the link that says create a new account manager log in ID.

They do manage the account and all the application processes. They will during the registration process identify who the plan sponsor is and who the authorized representative is for that plan sponsor.

For security reasons, the authorized representative and the account manager must always be different people for a plan sponsor. And they also could be an

employee of the company. However, that's not a requirement. That's the only requirement for the authorized representative.

Another role is the actuary, and the actuary must be a qualified actuary. And we determine that by their membership in the American Academy of Actuaries. They are required to log on to the system and sign the attestation of a plan's actuarial equivalence to Part D.

The actuaries are assigned at an application level. They will be asked to come in and attest to either gross or net, depending on the question of combining benefit options.

If they – if combining benefit options, if they must attest to the gross value, they must do that for each benefit option. And if they're combining options, it must only be done for the net value of combined options.

And if it's not being combined, then they must just attest to both and each. And it can be one actuary. It can be four actuaries. It can be six actuaries. Each individual plan, whether it's gross or net that has to be attested to can be however many actuaries you would like to assign.

And if you've been in the RDS secure web site, you'll see that they're assigned at that level.

The final user role is the designee. The designee can be assigned by an authorized rep or an account manager. They also are at an application level. The account manager and the authorized rep are at a plan sponsor level, meaning they can be associated with multiple applications. It just depends on what that plan sponsor is doing. However, the actuary and the designee is at the application level. They are assigned on the application.



The designee role is completely optional. They can assist in helping fill out any or all parts of the application except for of course the plan sponsor agreement and the actuarial attestation.

They can not sign. They may also be permitted to request payment, submit appeals. There's a whole list of privileges on the RDS secure web site that you can decide what the designee can and can't do. A designee can not assign other designees.

Okay, I wanted to talk about the account management – or, I'm sorry, the account management registration process.

First, the authorized rep decides who the account manager is going to be. That account manager comes to the RDS program web site and clicks on the link that says create an account manager. They kick off the process for that plan sponsor by requesting a plan sponsor ID and assigning an authorized rep.

That information is sent to the RDS Center for validation. If validated, the AM, the account manager, receives an email indicating that (unintelligible) the validation was good, or not, and why.

Once the account manager is approved, they can then go ahead and log in to the secure web site and begin the application process.

A couple reminders about the account manager registration and about that role. First, authorized reps, please be extremely careful when you're assigning who you want to be the account manager.

If this person is the person who kicks off the entire process and you later decide that that's not actually the person who you wanted to be the account manager, there is some workarounds and manual things that need to be done in order to correct that. So just be absolutely sure that when you're assigning the account manager, it is indeed the person that you want to kick off this process.

Another thing that account managers need to really be aware of and that is that they should only ever select the link on the program web site home page to create an account manager ID one time. That is needed just to get your first plan sponsor ID and account created. It's needed to get your log in ID created for the account manager.

However, if once you're in the RDS secure web site and you have other plans sponsors that you need to create accounts for, you will need to do that from within the secure web site after you've logged in. You will not be able to do it again from the program web site. The system will stop you, and it's not exactly elegant at this point.

So please just be careful that if you're an account manager, you only click on the link one time from the home page.

And I'll show you a slide in just a few minutes of where you would need to create additional plan sponsor accounts if you're an account manager.

The process for the authorized rep and the registration process – the authorized rep is going to receive an email to register for the secure web site based on the email address that was provided by the account manager during the registration process.

The authorized rep is to complete and submit the registration pages. The RDS Center takes that information and validates the authorized rep's information and either approves or denies it.

Once it's approved, they will receive – and either way they will receive an email indicating whether or not that was approved or denied. And then once they are approved, they will be able to use the log in ID and the password that they created to log into the secure web site.

The designee registration process is again optional. They are assigned specific privileges on an application level. They also are sent a link to the registration pages. They also required to submit the registration pages to the RDS Center to have the RDS Center decide if the registration information is good or not, and regardless of the determination an email is sent.

And then once the designee is approved, they will also be required to log in to the secure web site with the password and ID that they created.

I did want to reiterate that regardless of which role you are, and again you can only be one role. However, you should only have one log in ID and one password for the secure web site. There should never be an instance where you would need more than one.

Based on who assigned you during what process, the RDS secure web site will show you everything you need to know. If you're working with four plan sponsors, (it will) show you all four plan sponsors' information. If you're working for one plan sponsor in three applications, you'll see all that. You will just need to log in one time.

And the log in ID and password that a user uses is not to be confused with the plan sponsor ID, which is the arbitrary number the RDS Center gives to a plan sponsor, the entity, the corporation requesting the subsidy.

Finally the actuary registration process is basically almost identical to the process that I've just described. There are some things that I want to go over about the actuary registration process.

As you know, we do require that the actuary is qualified, and how we determine that is to match the actuary that is assigned against the (AA of A), the American Academy of (Actuary) database.

We do an exact match on several data elements to determine if this person is indeed a qualified actuary. Those two data elements are the actuary's membership number and the actuary's last name.

Those two pieces of information (has) to exactly match the database. It has to match exactly by the user who was providing the information, whether it's a designee, an authorized representative, or an account manager who is assigning the actuary, and it also has to match when the actuary comes in to proceed through the registration pages. The actuary number and the last name must match or the RDS Center will not validate that actuary.

A couple things that I want to reiterate about all of these roles is that the registration processes are very similar. The only variances are that the actuary provides their membership number. All other users provide their Social Security number and their date of birth, and that's how we authenticate each user.

The designee also gets a pass phrase just to make sure that they are who they say they are when they come into the system.

Okay, I just wanted to show you quickly Slide 12, just to reiterate to you account managers that once you're in the secure web site, if you got in with one log in ID, one password, and one plan sponsor information that you provided, however, if you then need to get to additional create plan sponsor accounts, you will just click on create a plan sponsor – create a new plan sponsor account on the account settings menu on your home page.

I wanted to also talk about extensions. First plan year-end 2006, I think Mark already talked about this. Also on the – on our web site. However, just in case you've not gotten the message, for applications of plan years ending in 2006, an automatic extension of the application submission deadline has been granted.

This means that you don't need to do anything in order to be able to submit your application by October 31, 2005. All applications, including the retiree files, however, have to be submitted by October 31, 2005.

There is no certain date where you have to have started the application. There's no certain date where you would've had to request your log in ID. However, we do encourage plan sponsors to begin the application process as soon as possible.

For plan years ending in 2007, however, there will be an official request an extension process in the RDS secure web site, and you will be required to request that extension 90 days of the beginning of the plan year for a consideration.

Okay, I wanted to talk about the plan information. There are two pieces of information that are associated with the plan year. It's the plan name and the (begin end) date.

The plan name, we didn't have that many questions about. But just to reiterate, it's basically whatever you want to call your plan. That is just something that's identifiable to your sponsor and to your organization.

However, we have had several questions about the plan year beginning and end date. The plan year beginning and end date should be really the effective and termination dates for the plans for which you're requesting the subsidy. It's not the specific dates for which you're requesting the subsidy.

For example, if your plan begin date is June 1, 2005 and your end date is May 30, 2006, those are the dates that you should use in these fields for your plan years.

At this time if – there is no way to change that information once it's put into the system and once the application ID is changed. We did have some folks who did do the wrong plan year. They actually only did the partial year for which they were requesting the subsidy.

So you'll just need to create another application with the correct plan years on it and proceed with (those) information – with those application pages.

Benefit option – there's four pieces of information about the benefit option. The one that we received the most information about is the benefit option unique identifier, and I just wanted to spend some time talking about what that field is.

When we first had design meetings about the benefit option unique identifier, we actually envisioned that to be the plan group number for the pharmacy plan that you are requesting the subsidy for.

We still think that in most cases that's what this information is going to be. However, we don't validate this group number against any databases that determines whether or not it's a valid group number.

This is really for your information, for the sponsor to track the different benefit options that you're requesting the subsidy for.

An application or a plan can include as many benefit (option) as desired by the plan sponsor. The only caveat is that it must have the same beginning and end (dates).

It doesn't matter. You can mix and match, even if some of the benefit options is one is administered by one company and another is administered by another company, some are self-insured, some are fully insured. It doesn't matter. Any combination of benefit options that you want to use for your plan is entirely up to the sponsor.

In some cases, however, we do understand that the benefit option unique identifier, it may not be applicable to be a group number. So in this case it really just needs to be something that is identifiable by the plan. However, it does need to be unique in that the one thing that the RDS Center does care about is whether or not benefit options are being duplicated across plan sponsors.

So the RDS Center will edit the combination of plan sponsor ID, benefit option unique identifier, option type, and company name. And that is basically of what we need for benefit option.

Man: (Unintelligible).

(Deb Weber): Yes, I'm sorry, same plan year. Thank you.

So let me just repeat that. A combination of four pieces of information – plan sponsor ID, benefit option unique identifier, option company name, and the plan year that you're requesting the benefit option for.

The definition of your benefit options, which we've received quite a few questions about, will most likely be driven by the actuarial attestation for the Part D equivalent.

On the actuarial attestation slides I have here I'm just going to quickly touch on, and that is that during the assigning the actuary process, the first question you'll be asked is whether or not you want to combine benefit options.

The reason why the system needs to know that is because it needs to know how to then break out your actuarial attestation and your individual assignments.

The payment frequency, I just wanted to remind everybody that you have four options. It's monthly, quarterly, interim annual, and annual. Monthly means that you basically will get – you will be able to submit no more than 12 requests. Quarterly means that you will be able to submit no more than four requests; interim annual no more than one request. And the annual is one request at the time of reconciliation only.



And note at this time that once you submit your payment frequency option and that application is submitted and processed by the RDS Center that you can not change your payment frequency at this time.

Any additional information about the payment information you can find on the Federal Registry notice for payment, and that is on Slide 19.

I wanted to talk about the application processing. At this point we have conditional approval and then final approval. The requirements for your conditional approval (is) that your plan sponsor must be determined to be a valid entity, your bank account must be validated. It must be determined that no RDS system users involved in the application process were found to be debarred according to General Services Debarment List or convicted of fraud or abuse per the Office of Inspector General exclusion list.

The actuaries must be members and qualified actuaries of the American Academy of Actuaries, and it must be received for the plan year 2006 by October 31, 2005.

Once your application is submitted, we will process it for the conditional approval, which basically is all of the application processing except for the retiree list.

Once we receive your retiree list, we will do the final processing, and that additional criteria is that it of course must have all of the criteria that I previously mentioned, and you must have at least one qualifying (recovered) retiree for which the plan sponsor is claiming subsidy.

And emails will be sent out accordingly.

For my appeals slide, I'm basically just going to let you know that there is a fact sheet, as Jim previously mentioned, on the RDS program web site. If you go to news and fact sheets and appeals, it's very detailed, so I'm not going to spend too much time on it here other than let you know that right now in the RDS secure web site, you can submit the first level of appeal and that is the informal written consideration if your application is denied.

And all of the information that you'll need again is on the program web site and in the user – the RDS secure web site.

Slides 23, 24, and 25 are just really more informational. I had a lot of questions that I read through that wanting to know really who got what emails, so that's what I tried to explain in 23, 24, and 25. (Unintelligible) read through them at this point, so just know that they're there for your reference.

And actually it's 26 and 27 broke down each role and each point in the process that they receive an email communication.

My last slide for subsequent plan years is basically (we receive) a lot information of what to do after this, you know, after plan year 2006 end applications, and I just want to make sure that everyone understands that for subsequent plan years, you will need to fill out a new application for every year, as Jim hit in, you know, when he talked about having the actuarial attestation again.

They – you will not have to however re-register. You will not have to request a new log in ID. You will not have to request a new plan sponsor ID. You will just need to fill out another application for subsequent plan years.

I also wanted to remind everybody where the slides are that we're going to – that we're talking about today, and that's on the program web site under event calendar. You will be able to find information about this national call and you'll be able to find the slide presentation that we're going through today.

And I also wanted to let you know there's another slide presentation out there. One of the questions that I received is is there a way to get screenshots of the secure web site for those folks who aren't actually going to be users.

And there is a slide presentation out on the program web site today that has most of the screenshots for anyone who is not a user but just wants to see what the different pages of the user interface looks like.

And at that point, I'm done talking about the registration and the application process and I'll turn it over to Pat Ambrose, who's going to talk about the retiree list submission.

Pat Ambrose: Good afternoon.

The first thing that I'd like to announce is many of you might have seen that we posted an announcement on our web site that we had experienced some technical difficulties with the upload of retiree files to the secure web site.

There was no problem with the mainframe-to-mainframe transfer or the VDSA process. I'm happy to announce that that problem that we were experiencing has been corrected as of midmorning today. We've received prior to this call over 75 files uploaded to the secure web site.

There still is a (tip) for you for Microsoft IE browser users to add a particular URL or web site to your list of trusted sites under your browser and there's

instructions on how to do that. We found that to be helpful for some users as well.

But as of this point in time, the upload of files to the secure web site should be functioning properly. Of course, if you have any issues, you should call the help line.

I've listed here on information sources where you can find information about the retiree file layouts and the process to transfer these files, and then how to process the response files that we'll send back to you.

On the web site, [rds.cms.hhs.gov](http://rds.cms.hhs.gov), you'll find a document that's been out there for a while, and it was last updated on August 30 called the retiree file layout. You can download this. It's at the bottom of the how-to-apply page.

There's also last weekend we put up a fact sheet called the RDS secure web site mailbox fact sheet. That will give you information on how to upload your file to the secure web site. You'll find that under news fact sheets.

Of course, we have frequently asked questions. That's a menu option right off of the home page. I encourage you still to download the presentation from the RDS National Conference from back in July. Lots of good information out there, particularly information also on the VDSA option, which I am not going to cover today.

We are about ready to probably tomorrow in fact, we'll have posted on the web site an Excel spreadsheet that uses a template we put together to help you create your retiree files just for the CSV file to upload to the secure web site. You can't use the spreadsheet to create your file for the mainframe transfer,

but we thought it would be helpful for those people who might need a little bit of additional guidance and are working with a smaller number of retirees.

I'm going to make the assumption in my presentation that you're – you have reviewed most of this information that we've posted to the web site. And I will then try to address particular questions that we received prior to this call.

Again, other information source that I encourage you to continue to use, as Mark mentioned, we're still working with our help center to ensure that they have proper information that they're able to address your questions as quickly as possible.

If you have a question related particularly to retiree file processing, I suggest that you ask the Operator to speak to an EDI representative who specializes in the file transfer process if you have a more complicated question regarding this topic.

I want to talk a little bit about specific data elements that are on the retiree file. I'm not going to address all of those data elements, but some particular questions came up.

One was regarding the Medicare health insurance claim number. This is the unique identifier that Medicare uses and it can be found on the (beneficiary's) Medicare card.

When you submit your retiree file, you may use either. You may submit on four particular qualifying covered retiree. You may submit either the HIC number or HICN or the SSN, the Social Security number. You don't have to submit both.

Now that number must reflect the person that you're actually asking to claim for the subsidy. If that person is not the subscriber but rather a dependent of the subscriber, you must use the HIC number or the SSN of the actual dependent, not the subscriber.

We have no way to trace dependents back to the subscriber if that is not the particular qualifying covered retiree that that record represents.

I wanted to talk a little bit also about what the unique benefit option identifier is. I have to thank our friends at (Ford) who came up with a new for us and they call these numbers the (UBOI)s. This is a user-defined identifier for the benefit options on the application.

We do require that you – your retiree file include this identifier on each record and it must match one that matches the application ID that you have on that record as well, or associated with that file.

This is usually your prescription drug group number assigned to the benefit option, but we do realize that there are cases where there are multiple group numbers or you may not use group numbers.

So you can pick one group number to assign to that benefit option or make up your own number – just as long as when the retiree file comes in, the benefit option identifier that you're using matches one on the application.

For initial retiree files, we do require at the RDS Center that your initial retiree file be one combined file for all benefit options and from all vendors. We need this in order to know that we have the entire initial file to complete your application.

You must have at least one qualifying covered retiree for application approval. It is not necessary to have one qualifying covered retiree for each benefit option however.

For your application with plan years ending – (in 2006), the file is due October 31, 2005. Your account manager will receive an email when this file is received by the RDS Center and we've started processing.

I want to make a special note that you may submit your application on the secure web site prior to transmitting your retiree file. And we encourage you to do that if the rest of the application is complete.

We do have on the application status page, you'll see a status for the file upload or the managed retiree. There's actually a bug in the system that does not update that status when you've transmitted your retiree file. So once you've transmitted your retiree file and you receive an email, you can rest assured that we've received it at the RDS Center.

Either way, you can your retiree file either before or after you submit your application online. Now you must start an application before you submit your retiree file because there's information on the application such as the application ID and the unique benefit identifier that's necessary.

I'm just going to remind you again one more time also that please don't forget the leading zeros in the application ID on these files as you submit them to us. It's a requirement for our retiree file processing.

Some questions came up regarding what kind of testing of retiree files the RDS Center conducts. There is no test facility for the HTTPS or the upload to the secure web site. Note that the Excel spreadsheet that we will post out on

the web site that I mentioned earlier does have some edits to assure that you enter your data correctly in those fields however. Also rest assured that we will work with you to get you – get your file into the proper format and submitted successfully to the RDS Center.

For mainframe to mainframe, we do some basic connectivity, making sure that the connections over the AGNS network are functioning properly and that we can transmit files back and forth between your site and the RDS Center data center.

Then we will also run your files through some basic file and data element format checking, but this is not an – a full-blown send me deletes or send me adds and then later send me a file with the deletes and that sort of thing. I encourage you to perform that testing on your own.

The VDSA testing is very similar to the mainframe to mainframe, but that's conducted by the COB contractor rather than the RDS Center.

I was going to answer a couple of other questions that came up.

What if you don't – when you need to send your initial retiree file in, what if you don't yet have the Social Security number or the HIC number for a retiree?

Basically don't send a record in until you have that data. You may send that once you've obtained that data element from your retiree, you can send that record on a subsequent monthly update file as an add.

The change will be (retroacted), so even if you send that record after the subsidy period should begin, you will be able to go back and claim the



subsidy for those months that you might've missed so to speak while you were trying to obtain this data and add it to your retiree list.

What if open enrollment occurs between the time that you submit your application on October 31, 2005 and the first of January? We realize that a lot of plans begin on January 1 and open enrollment might take place sometime in November.

What you need to do is still send in an initial retiree file with the current benefit option for each retiree, essentially making your best guess as to what benefit option this retiree will be in come the start of your plan year.

And then after your open enrollment closes and you know exactly what retiree should be in each benefit option, then send changes on your monthly update file to make sure that you get your retirees reflected, their subsidy period reflected in the correct benefit option.

If you need to move a retiree from one benefit option to another, you need to send a delete record for the old benefit option that you might have added them previously on the initial file for and then send an add record for that same retiree to reflect the new benefit option.

Jim addressed this question, about what if a retiree is not eligible now but will be by January of 2006 or at some time later. The RDS Center is using the Medicare Beneficiary Database at CMS to determine eligibility and entitlement for Medicare.

Usually the RDS Center will know 90 days in advance of Medicare eligibility, but that isn't always the case. We encourage you that if you are sure that someone is going to be eligible and entitled to Medicare and you want to

claim them for the subsidy and that's at a future date, go ahead and send a record.

And if it's not initially accepted because of lack of Medicare entitlement, then just continue to send it until we've updated our internal files and can validate that entitlement and send you back a positive response.

For monthly update files, we (have) several questions about when you should start sending those monthly update files. We recommend that you wait until you've received a response file and processed that response file on your initial file, retiree file, and then in approximately 30 days after you've received that initial response, start sending your monthly update file.

You may send us as many monthly update files – you may start sending monthly update files prior to January, and you can continue sending those monthly update files up until reconciliation. Reconciliation can take up to 15 months after the end of your plan year. There's no limitation on how many months you may send these update files.

Don't send them unless – don't send a monthly update unless there are changes. Remember that the monthly update files must contain only adds, deletes, and updates to what you're previously sent. The RDS Center can not process full file replacements.

We made an announcement recently about multiple monthly update files can be accepted, so in other words for the monthly update files, you are able to send more than one file. This is actually not allowed for the upload to the secure web site, and I apologize for any confusion there.

We will be adding further flexibility to this upload to the secure web site in the coming months, so stay tuned for that. Mainly we added this option for some of our – the larger vendors who were transferring mainframe to mainframe.

We still ask that while you can send multiple monthly update files from different locations that you only send them on a monthly basis just for volume purposes and processing reasons.

We will return the responses to whomever send the – your retiree file. That goes for the initial and all the monthly updates. Even if you're send multiples, we will make sure that those response files go back to the proper location.

We are going to make some changes to accommodate this. We'll be contacting each of the plan sponsors or vendors affected who are – have chosen the mainframe-to-mainframe transfer option.

We just need to change file name that you're going to send to if you happen to be a vendor and not a plan sponsor to allow us to process correctly. So we'll be in touch with that very soon.

Processing your response files, we (have) some questions about how long it will take. Note that the – for the application approval process, the retiree file processing is the last step in that process.

So first we have to wait for your application to be submitted online, and then we'll validate the other things that (Deb) referred to earlier. And then we will process your retiree file. So essentially it'll take three to five business days after the conditional approval that (Deb) spoke of.

Your monthly update response files should be ready in three to five business days after submission.

I just wanted to remind you again that the plan sponsor or the benefit option administrator who is going to calculate your cost data for payment must store that subsidy period that's coming back on the response record.

We will send back these retiree files responses in the same way that they came in to us – either via the secure web site, mainframe to mainframe, or VDSA. Again, we may add some additional flexibility regarding our response file transmission in the future, but that's not available just yet.

If your response file is posted to the mailbox, your authorized representative – on secure web site that is, your authorized representative, account manager, and any designee with appropriate permission can download those files.

I'm going to talk a little bit about handling rejections on your retiree file. If you submit your retiree file late or there is not one qualifying covered retiree found on that file, the entire file will be rejected and in fact your application will be denied.

You may appeal that application decision, however, and the RDS Center will reconsider that decision.

In other cases, you may have received some accepted records and some rejected records on your application, or on your response file. You need to take a look at the reason code that the RDS Center is sending back to you on that response file.

If it indicates – the reason codes to indicate that invalid data was found. If that's the case, correct the data and send that record again on your monthly update file as an add transaction.

If the entire initial file is rejected for data errors, invalid data errors, we've actually put a hook in the system especially the – during this initial processing to contact you and help you with making, you know, resolving that problem that you're having your – with your retiree file.

So rest assured that we're going to work with you very closely to get these files in and processed correctly.

If you find that a record is rejected however for retiree not being eligible or entitled for Medicare, try resending the record again if their eligibility is in the future. And continue to send that record as an add. Any record that was rejected that you resend to the RDS Center should be sent as an add transaction in your monthly update file.

If you're still not satisfied with the determination the RDS Center has made, we ask that you report that problem with – about individual rejections to the RDS Center help line.

At this time you are not required to appeal these decisions on each retiree record. The RDS Center will research and resolve each of these, work with you to come to a final determination.

We ask that you continue to send this record as an add until a resolution is found. You're not giving up your rights to appeal an individual retiree rejection for the subsidy.

However, resending these records each time does essentially give you another 15 days to submit an appeal, and we really ask that you work with us prior to filing an appeal since there might be a data processing issue on either the plan sponsor side or the RDS Center side, and we'd rather just work through those problems than get into the appeal process.

We've made some changes to this process in response to your feedback from Dallas and other conferences that were held, so we're trying to be helpful here in this process.

Now the actual appeal functionality for individual retirees will be available in January of 2006. So we ask that in November and December you work with us to resolve these issues and then if you are still not satisfied with the final determination that you file your appeal starting in January 2006.

The notification file – note that notification files, you will not start receiving those until November 15, 2005. That's when open enrollment for Part D begins. We are using the same response file layout. You will see special reason codes for these notifications. Please refer to the documentation that's on the RDS web site for more information on this.

The notifications will come back to you in separate files. They will however be sent to you in – under the same file transmission method that you sent your retiree file.

We will return these notifications to the plan sponsor or vendor that last sent a retiree record for the applicable subsidy period.

The types of notifications that you may receive – first off, we’re posting these subsidy records on the Medicare Beneficiary Database. That database will also be checked as people start to enroll for Medicare Part D.

If someone – if one of your retirees tries to enroll in Part D and they’ve been accepted into the subsidy, they will initially be rejected for Part D coverage.

We will be notified of that and pass that notification on to you. The objective is for some outreach and education to be performed since your retiree probably doesn’t need to sign up for Medicare Part D in this case.

We’re trying to add functionality to post these notifications, just these particular notifications about rejection to Part D enrollment. We’re trying to get those out on the web site on a daily basis, but I don’t have a definite state for that.

We will be creating these notifications daily, but rolling them up into weekly notification files that you will receive for these other types of notifications on the next slide.

You will receive notifications for changes to retiree Part A entitlement or Part B enrollment. This would include if the RDS Center is notified by a date of death.

Note that we will alert you to the fact that entitlement has changed or a date of death if Medicare on when you initially sent your retiree file if we know this person. If we don’t know them as a Medicare beneficiary, they never had been signed up on Medicare’s files, we won’t necessarily know when they become eligible and we won’t alert you when they become eligible for Medicare.

Moving on to some other information, I want to remind you that when you – if you create your retiree file using Microsoft Excel, please make sure you send us the CSV file, the comma separated formatted file, not your Excel file, not your Excel spreadsheet. That will be rejected.

We can accept CSV files beyond the 65K limitation or 65,000 limitation that Excel has, so if you have another avenue to create your retiree file, a comma separated retiree file that's larger than Excel's limitation, that's no problem having it accepted at the RDS Center.

You can change online your file submission at any time. However, your response file will go back the same way that it came to us. So if in between sending us a retiree file and us sending you a response file you change your file submission, we won't send back using the new transmission until we've processed that previous file.

I wanted to mention some security, we had some concerns about security on the RDS Center system.

I ask that you visit the CMS web site for more information on this, but rest assured that we have been grilled sufficiently on security issues. Your data is stored behind two firewalls. We have had independent evaluations performed for security, penetration testing and vulnerability testing, and we've passed with flying colors.

There (were) some questions about naming conventions. There is no naming convention for an upload to the secure web site, but for our own benefit, please use in your file name your application ID and possibly a vendor ID if applicable or a vendor name if applicable and the date that you sent that file.



Your response file will be named exactly – it will go back into your response mailbox with the same name that you sent us.

I'd caution you also if you're uploading to the secure web site to make sure that you select the correct box to put your – by application ID and also the one that indicates that it's for file transmission, for file upload. Select the correct folder from the drop-down. If you put your retiree file in the response folder, the RDS Center won't be able to process it. That response folder is only for you to pick up files that we have put there for you.

If you're transferring mainframe to mainframe, we'll be in contact with you one on one and give you the name of your mainframe file name that you should be transmitting your file to. I actually have some incorrect information here about the file name, so ignore that and talk to the EDI representative (that will) be working with you on a personal basis.

We had a quick question that someone was asking about when you submit a each retiree file, does the authorized representative need to re-sign the application. That is not required. The authorized rep signs the application once online and then you may continue to send your initial file and monthly update files with no additional signature.

I do want to remind you that again to – here are our numbers on the last slide, to call the RDS Center help line. I encourage you to call with details, particular details of your issue. Please be patient, as sometimes these technical questions can not be answered by our call operators and they need to actually refer to my systems staff and get back to you a day or two later.

Some of the changes that you're requesting for example for changing your authorized rep and account manager require system staff behind the scenes to

make (this change) at this point in time. Functionality will be added to the secure web site for you to do it yourself, but right now that's not available. So it actually requires technical folks to perform this change, so please be patient. We are working on a solution for that and will start making those changes for you right away.

Rest assured that we are going to work with you and make sure that you get your applications in. You will not be prevented from receiving the subsidy and participating in this program because of system issues.

Again I'll reiterate that the file upload to the secure web site problem has been fixed. There's never been a problem with the transfer mainframe to mainframe or VDSA.

One more problem to let you know, about is that the emails to the RDS Center, that functionality is not working. We actually use a function on the CMS web site and we're having a bit of (problems) connecting or communicating between the CMS web site and the RDS web site, so right now you need to call the help line to get help to your – get help on your issues.

We are not at this time able to receive emails using the contact option on the RDS web sites. We'll get that just as fixed as possible, but frankly it's out of our hands.

Thank you very much for your time today and that concludes my presentation.

David Gardner: Great. This is Dave Gardner. I just want to thank everybody who called in today to listen and we appreciate your patience and your continued interest in the program.

Thanks a lot.

Operator: Thank you, Mr. Gardner.

Ladies and gentlemen, this does conclude today's CMS teleconference. You may all disconnect.

END